

## [CHAPTER 236]

## AN ACT

July 11, 1947  
[H. R. 599]  
[Public Law 183]

Declaring Kenduskeag Stream, Penobscot County, Maine, to be a nonnavigable waterway.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Kenduskeag Stream, a minor tributary of the Penobscot River, located in Penobscot County, in the State of Maine, be, and the same is hereby, declared to be a nonnavigable waterway within the meaning of the Constitution and laws of the United States of America.

SEC. 2. That the right of Congress to alter, amend, or repeal this Act is hereby expressly reserved.

Approved July 11, 1947.

## [CHAPTER 244]

## JOINT RESOLUTION

Consenting to an interstate oil compact to conserve oil and gas.

July 12, 1947  
[S. J. Res. 122]  
[Public Law 184]

Oil and gas conservation.  
Consent of Congress to extension of compact.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby given to an extension and renewal for a period of four years from September 1, 1947, of the Interstate Compact to Conserve Oil and Gas, executed in the city of Dallas, Texas, the 16th day of February 1935, by the representatives of Oklahoma, Texas, California, and New Mexico, and thereafter recommended for ratification by the representatives of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and subsequently ratified by the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress and the Congress gave consent to such compact by H. J. Res. 407, approved August 27, 1935 (Public Resolution Numbered 64, Seventy-fourth Congress), and which said compact was thereafter extended and renewed for a period of two years from September 1, 1937, by an agreement executed in New Orleans, Louisiana, the 10th day of May 1937, by the representatives of the States of Oklahoma, Texas, Kansas, and New Mexico, and was duly ratified by the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by S. J. Res. 183, approved August 10, 1937 (Public Resolution Numbered 57, Seventy-fifth Congress), and which said compact was thereafter extended and renewed for a period of two years from September 1, 1939, by an agreement duly executed and ratified by the States of Oklahoma, Texas, Kansas, Colorado, New Mexico, and Michigan, and was deposited in the Department of State of the United States, thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by H. J. Res. 329, approved July 20, 1939 (Public Resolution Numbered 31, Seventy-sixth Congress), and which said compact was thereafter extended and renewed for a period of two years from September 1, 1941, by an agreement duly executed and ratified by the States of Texas, Oklahoma, Kansas, Colorado, New Mexico, Illinois, Michigan, Arkansas, Louisiana, New York, and Pennsylvania, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to Congress and the Congress gave consent to such extended and renewed

49 Stat. 939.

50 Stat. 617.

53 Stat. 1071.

compact by H. J. Res. 228, approved August 21, 1941 (Public Law, 246, Seventy-seventh Congress), and which compact was thereafter extended and renewed for a period of four years from September 1, 1943, by an agreement executed and ratified by representatives of the States of Kansas, Oklahoma, Texas, Colorado, New Mexico, Arkansas, Louisiana, and Kentucky, and was deposited in the Department of State of the United States and thereafter such extended and renewed compact was, by the President of the United States, presented to Congress and the Congress gave consent to such extended and renewed compact by H. J. Res. 139, approved July 7, 1943 (Public Law 117, Seventy-eighth Congress), and thereafter the representatives of the States of Montana, West Virginia, Alabama, Illinois, Michigan, New York, Pennsylvania, Ohio, Florida, Tennessee, and Indiana, executed counterparts of said agreement, and said counterparts so executed were deposited in the Department of State of the United States. The extended and renewed compact dated the 1st day of February 1947, duly executed by the representatives of the States of Alabama, Arkansas, Colorado, Florida, Kansas, Louisiana, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Texas, West Virginia, Tennessee, and Indiana, and which extended and renewed compact has been deposited in the Department of State of the United States, reads as follows:

56 Stat. 666.

57 Stat. 383.

Text of compact.

#### **“AN AGREEMENT TO EXTEND THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS**

“WHEREAS, on the 16th day of February 1935, in the City of Dallas, Texas, there was executed ‘AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS’ which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, the original of which is now on deposit with the Department of State of the United States, a true copy of which follows:

#### **“‘AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS**

##### **“‘ARTICLE I**

“‘This agreement may become effective within any compacting state at any time as prescribed by that state, and shall become effective within those states ratifying it whenever any three of the states of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing state may become a party hereto as hereinafter provided.

##### **“‘ARTICLE II**

“‘The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

##### **“‘ARTICLE III**

“‘Each state bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

- “(a) The operation of any oil well with an inefficient gas-oil ratio.
- “(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas, in paying quantities.
- “(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.
- “(d) The creation of unnecessary fire hazards.

"(e) The drilling, equipping, locating, spacing or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

"The enumeration of the foregoing subjects shall not limit the scope of the authority of any state.

#### "ARTICLE IV

"Each state bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

#### "ARTICLE V

"It is not the purpose of this compact to authorize the states joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

#### "ARTICLE VI

"Each State joining herein shall appoint one representative to a commission hereby constituted and designated as

### THE INTERSTATE OIL COMPACT COMMISSION,

the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"The Commission shall have power to recommend the coordination of the exercise of the police powers of the several states within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said states, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"No action shall be taken by the Commission except: (1) by the affirmative votes of the majority of the whole number of the compacting States represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production of the compacting States during said period.

#### "ARTICLE VII

"No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

## “ARTICLE VIII

“This compact shall expire September 1, 1937. But any State joining herein may, upon sixty (60) days notice, withdraw herefrom.

“The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory States.

“This compact shall become effective when ratified and approved as provided in Article I. Any oil producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.’

“WHEREAS, the said Interstate Compact to Conserve Oil and Gas has heretofore been duly renewed and extended with the consent of the Congress to September 1, 1947; and,

“WHEREAS, it is desired to renew and extend the said Interstate Compact to Conserve Oil and Gas for a period of four (4) years from September 1, 1947, to September 1, 1951;

“NOW, THEREFORE, THIS WRITING WITNESSETH:

“It is hereby agreed that the Compact entitled

“AN INTERSTATE COMPACT TO CONSERVE OIL  
AND GAS’

executed in the City of Dallas, Texas, on the 16th day of February, 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same hereby is, extended for a period of four (4) years from September 1, 1947, its present date of expiration. This agreement shall become effective when executed, ratified, and approved as provided in Article I of the original Compact.

“The signatory states have executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory states. Any oil producing state may become a party hereto by executing a counterpart of this agreement to be similarly deposited, certified, and ratified.

“EXECUTED as of the first day of February, 1947, by the several undersigned states, at their several capitols, through their proper officials as duly authorized by statutes and resolutions, subject to the limitations and qualifications of the acts of the respective State Legislatures.”

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

Approved July 12, 1947.

[CHAPTER 245]

AN ACT

To amend section 3179 (b) of the Internal Revenue Code.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of section 3179 of the Internal Revenue Code is amended to read as follows:

“(b) **DRAWBACK.**—Upon the exportation of distilled spirits and wines manufactured or produced in the United States on which an internal-revenue tax has been paid, and which are contained in any

July 14, 1947  
[H. R. 959]  
[Public Law 185]

53 Stat. 377.  
26 U. S. C. § 3179 (b).

Distilled spirits and  
wines.